

**NetFile Program
Name Change Issue
Request for Board Approval**

Overview: Request for Approval

FTB staff request the approval of the three-member Board to change the name of the NetFile Program. Staff have selected two alternatives for the new name: **CalFile** and **CalNetFile**. Staff recommends changing the name to **CalFile**.

Details regarding this request are provided below.

NetFile Name Change Issue

FTB deployed the NetFile program in April 2003. Since that time, FTB staff have received many contacts from a company called West Coast Online. This company has a product that is also named NetFile. West Coast Online has requested that FTB change the name of our NetFile program. The company has made this request due to its perceived copyright issues. Additionally, the company has indicated that they are prepared to pursue litigation to resolve the NetFile name issue.

FTB staff have researched two alternate names for the NetFile program. The alternate names are: *CalFile* and *CalNetFile*. Staff found no similar products or companies using those names, nor any similar trademarks for the alternate names.

Background

Prior to the April 2003 release of FTB's NetFile program, FTB legal staff determined that the use of the name *NetFile* did not raise any legal issues. Legal staff concluded that due to the wide-spread general use (this name is used by other states), on the Internet, of the term *NetFile*, no copyright issues existed. Therefore, FTB staff proceeded with the implementation of the new program using the NetFile name.

Within a month of the release of NetFile, FTB staff received a phone call from West Coast Online regarding FTB's use of the term NetFile. This first contact was followed up by several more between May 2003 and May 2004. FTB staff responded to each issue raised by West Coast Online, including making a significant change to the department's NetFile logo.

In April 2004, West Coast Online forwarded the NetFile issue to the Administration and requested support for a name change. Most recently, FTB staff received a letter from attorneys Christie, Parker and Hale who represent West Coast Online. The letter stated, in part,

What is needed in this instance is a change in the NetFile name. A change to "Webfile" or another mark which is not confusingly similar to NetFile would be appropriate...It is in the interest of both parties to avoid litigation over a matter which is capable of resolution with a relatively simple change of name.

Recommendation

FTB staff believe that the most efficient and effective approach to handling the NetFile name issue is to proceed with changing the name of the program. Staff have selected two alternatives for the new name: **CalFile** and **CalNetFile**. FTB staff recommend the name **CalFile**. The new name would become effective no later than January 1, 2005.

FTB technical staff have evaluated the impact of a name change to the NetFile application and have concluded that the required changes to the application could be made by January 2005. Additionally, FTB communications staff will develop a communications plan targeting NetFile stakeholders, to assure that all interested parties are aware of the name change.

It is awkward to change the name of the NetFile program, both for us and for our taxpayers. But, we believe with the appropriate planning and outreach, we will avoid any significant problems for taxpayers and for the state.